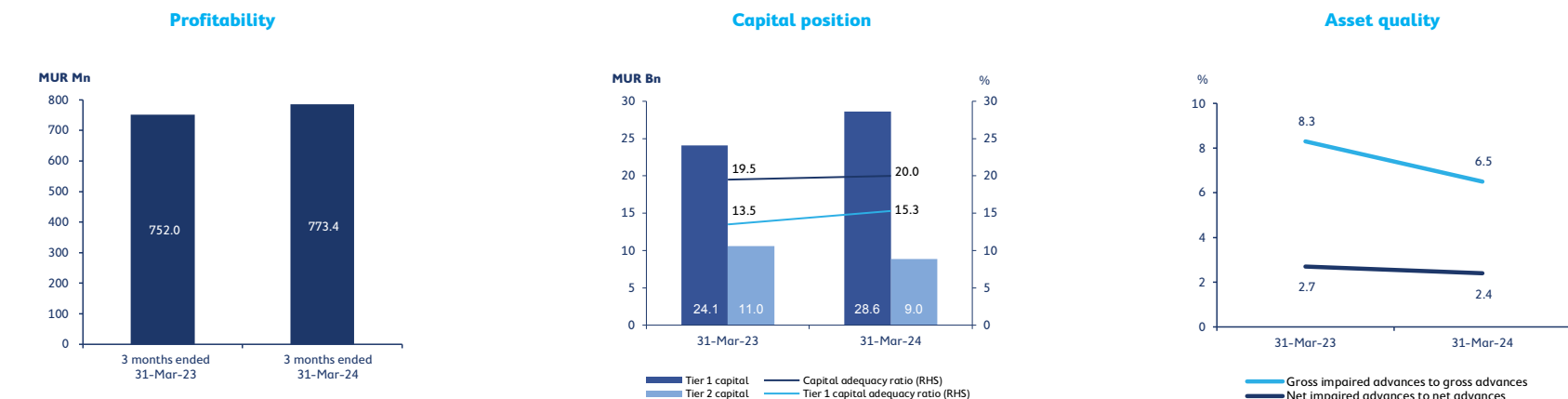


KEY HIGHLIGHTS



SBM Holdings Ltd (the "Company") and its subsidiaries, here altogether (the "Group"), present the Group's interim unaudited condensed financial report for the quarter ended 31 March 2024. This interim unaudited condensed financial report has been prepared in accordance with IAS 34 Interim Financial Reporting. The report has also been prepared based on those accounting policies applied in the preparation of the audited financial statements for the year ended 31 December 2023, except for the adoption of new standards and interpretations effective as from 01 January 2024.

REPORT ON REVIEW OF THE INTERIM UNAUDITED CONDENSED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF SBM HOLDINGS LTD

Introduction

We have reviewed the accompanying interim unaudited condensed financial statements which comprise the consolidated and separate interim unaudited condensed statements of financial position of SBM Holdings Ltd (the "Company") and of its subsidiaries (the "Group") as of 31 March 2024, and the related consolidated and separate interim unaudited condensed statements of profit or loss and interim unaudited condensed statements of other comprehensive income, consolidated and separate interim unaudited condensed statements of changes in equity and consolidated and separate interim unaudited condensed statements of cash flows for the quarter then ended and other explanatory notes. The Board of Directors and management are responsible for the preparation and presentation of these interim unaudited condensed financial statements in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting. Our responsibility is to express a conclusion on these interim unaudited condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements ("ISRE") 2410: "Review of Interim Financial Information Performed by the Independent Auditor of the Entity."

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim unaudited condensed financial statements are not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting.

Deloitte
Chartered Accountants
Date: 13 May 2024

INTERIM UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2024

	The Group		
	Unaudited 31 March 2024	Unaudited 31 March 2023	Audited 31 December 2023
	MUR' 000	MUR' 000	MUR' 000
ASSETS			
Cash and cash equivalents	20,116,247	14,929,640	23,827,701
Mandatory balances with central banks	17,160,320	17,124,507	16,918,939
Loans to and placements with banks	2,792,965	1,021,677	2,853,065
Derivative financial instruments	1,112,102	897,292	679,073
Loans and advances to non-bank customers	153,702,883	150,062,596	148,259,418
Investment securities	168,425,320	171,756,030	157,532,715
Property and equipment	4,224,129	3,754,669	4,140,212
Right of use assets	812,744	820,863	724,545
Intangible assets	1,800,634	1,916,258	1,851,623
Deferred tax assets	1,429,571	1,264,892	1,390,569
Other assets	4,796,785	4,099,858	4,075,455
Total assets	376,373,700	367,648,282	362,253,315
LIABILITIES			
Deposits from banks	4,093,995	6,138,157	2,662,028
Deposits from non-bank customers	303,106,214	291,009,927	290,639,805
Other borrowed funds	12,676,464	17,580,133	13,405,661
Derivative financial instruments	1,214,194	694,352	782,595
Lease liabilities	903,289	842,499	801,229
Current tax liabilities	703,107	624,603	556,294
Pension liabilities	463,385	572,873	450,863
Other liabilities	9,963,030	10,566,024	10,039,834
Subordinated debts	10,039,042	10,915,849	11,232,173
Total liabilities	343,163,260	338,944,417	330,570,482
SHAREHOLDERS' EQUITY			
Stated capital	32,500,204	32,500,204	32,500,204
Retained earnings	10,290,838	6,590,669	9,511,081
Other reserves	(4,705,571)	(5,511,977)	(5,453,421)
	38,085,471	33,578,896	36,557,864
Less: Treasury shares	(4,875,031)	(4,875,031)	(4,875,031)
Total equity attributable to owners of the Company	33,210,440	28,703,865	31,682,833
Total equity and liabilities	376,373,700	367,648,282	362,253,315
Memorandum items	63,974,078	55,363,371	63,591,462

Approved by the Board of Directors and authorised for issue on 13 May 2024.

Abdul Sattar Adam Ali Mamode HAJEE ABDOULA Chairman
Dr. Subhas THECKA Chairman, Audit Committee

INTERIM UNAUDITED CONDENSED STATEMENTS OF PROFIT OR LOSS FOR THE QUARTER ENDED 31 MARCH 2024

	The Group		
	Unaudited Quarter ended 31 March 2024	Unaudited Quarter ended 31 March 2023	Audited Year ended 31 December 2023
	MUR' 000	MUR' 000	MUR' 000
Interest income using the effective interest method	5,309,582	4,787,309	20,223,838
Other interest income	147,097	51,946	328,406
Interest expense using the effective interest method	(2,659,996)	(2,271,284)	(9,245,282)
Other interest expense	(102,178)	(39,637)	(664,631)
Net interest income	2,694,505	2,528,334	10,642,331
Fee and commission income	654,201	680,002	2,582,141
Fee and commission expense	(30,043)	(31,170)	(137,358)
Net fee and commission income	624,158	648,832	2,444,783
Other income			
Net trading income	433,434	642,693	2,180,663
Net (loss)/gain from financial assets measured at FVTPL	(12,029)	(23,334)	40,253
Net loss on derecognition of financial assets measured at amortised cost	(11,443)	(13,060)	(21,394)
Net gain on derecognition of financial assets measured at FVTOCI	17,976	24,741	44,962
Other operating income	14,162	14,619	299,249
Non-interest income	1,066,258	1,294,491	4,988,516
Operating income	3,760,763	3,822,825	15,630,847
Personnel expenses	(1,157,604)	(1,061,435)	(4,275,825)
Depreciation of property and equipment	(86,934)	(79,788)	(330,262)
Depreciation of right of use assets	(63,034)	(66,345)	(238,631)
Amortisation of intangible assets	(153,383)	(131,214)	(531,095)
Other expenses	(1,107,075)	(1,112,589)	(4,228,071)
Non-interest expense	(2,568,030)	(2,451,371)	(9,603,884)
Profit before credit loss expense	1,192,733	1,371,454	6,026,963
Credit loss movement on financial assets and memorandum items	(113,317)	(483,480)	(1,047,247)
Profit before income tax	1,079,416	887,974	4,979,716
Tax expense	(306,058)	(135,930)	(662,779)
Profit for the period/year attributable to owners of the Company	773,358	752,044	4,316,937
Earnings per share:			
Basic and Diluted (Cents)	30.0	29.1	167.2

Performance

The SBM Group started the financial year with resilience in the face of the challenging environment prevailing across the jurisdictions where it is present, geared by strategic initiatives aiming at improving its operational capabilities and competitiveness levels.

Profit after tax attained MUR 773.4 million for the quarter ended 31 March 2024, which represents an increase of 2.8% over the corresponding period of last year. Earnings per share grew from 29.1 cents to 30.0 cents for the period under review.

Group results for the quarter ended 31 March 2024 were driven by a major improvement in credit loss expense due to rigorous risk management and a year-on-year rise of 6.6% in net interest income, attributable to growing business volumes and a high interest rate environment. Gross loans and advances to non-bank customers and placements with banks grew further to reach MUR 165.3 billion as at 31 March 2024 and total deposits edged up to MUR 307.2 billion as at 31 March 2024.

Non-interest expense increased by 4.8% to MUR 2.6 billion for the quarter ended 31 March 2024, partly linked to adjustments for inflation.

The Group's financial ratios remain sound, thus supporting its growth ambitions. The capital base of the Group stayed comfortable at MUR 37.5 billion as at 31 March 2024, leading to a capital adequacy ratio of 20.0%, which is well above regulatory thresholds. The gross and net NPL ratios stood at 6.5% and 2.4% respectively as at 31 March 2024.

Outlook

As per the IMF in its recent World Economic Outlook report, the global economy has shown resilience in recent periods, but the medium-term growth prospects still remain below the historical average. In Mauritius, the economy has held up encouragingly well, with Statistics Mauritius estimating real GDP growth at 7.0% in 2023. Whereas the operating environment calls for vigilance, economic growth is expected to maintain its momentum in 2024, supported by the continued good performances of key sectors and rising investment levels.

In this landscape, the SBM Group will pursue its growth agenda in a cautious and informed manner, while coping with risks and opportunities faced. As various projects and endeavours unfold across operating entities, the Group remains committed to further improving its financial soundness and operational resilience, alongside enriching the quality of customer experiences and diversifying its revenue streams. Towards these ends, emphasis will be laid on the sustained reinforcement of capabilities in terms of people, process and technology.

Overall, the SBM Group is dedicated to generating sustainable and long-term value for its stakeholders, while contributing to the advancement of the economies and societies in which it is involved.

Abdul Sattar Adam Ali Mamode HAJEE ABDOULA
Chairman

Dr. Subhas THECKA
Chairman, Audit Committee

13 May 2024

INTERIM UNAUDITED CONDENSED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2024

	The Group		
	Unaudited Quarter ended 31 March 2024	Unaudited Quarter ended 31 March 2023	Audited Year ended 31 December 2023
	MUR' 000	MUR' 000	MUR' 000
Profit for the period/year attributable to owners of the Company	773,358	752,044	4,316,937
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Gain on property revaluation	-	30,815	30,815
Deferred tax arising following change in rate:			
- Revaluation of property	-	-	(70,482)
- Defined benefit pension plans	-	-	(6,446)
Remeasurement of defined benefit pension plan	-	-	(204,466)
Deferred tax on remeasurement of defined benefit pension plan	-	-	27,784
Net (loss)/gain on equity instruments designated at FVTOCI	(5,757)	-	77,347
	(5,757)	30,815	(145,448)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	799,491	152,629	(566,236)
Debt securities measured at FVTOCI			
- Movement in fair value during the period/year	21,736	564,297	1,335,432
- Fair value gain reclassified to profit or loss on derecognition	(17,976)	(24,741)	(44,962)
- Credit loss movement relating to debt instruments held at FVTOCI	(43,245)	59,182	133,829
	760,006	751,367	858,063
Total other comprehensive income attributable to owners of the Company	754,249	782,182	712,615
Total comprehensive income attributable to owners of the Company	1,527,607	1,534,226	5,029,552

	The Group		
	Unaudited Quarter ended 31 March 2024	Unaudited Quarter ended 31 March 2023	Audited Year ended 31 December 2023
	MUR'000	MUR'000	MUR'000
Net cash used in operating activities	(2,190,869)	(17,215,875)	(2,652,351)
Net cash (used in)/generated from financing activities	(2,321,710)	2,038,857	(2,252,101)
Net cash used in investing activities	(269,854)	(441,423)	(1,227,496)
Net change in cash and cash equivalents	(4,782,433)	(15,618,441)	(6,131,948)
Effect of foreign exchange rate changes	1,083,590	288,150	(309,149)
Expected credit loss allowance on cash and cash equivalents	(12,611)	(15,106)	(6,239)
Cash and cash equivalents at beginning of period/year	23,827,701	30,275,037	30,275,037
Cash and cash equivalents at period/year end	20,116,247	14,929,640	23,827,701

INTERIM UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2024

	Stated capital	Treasury shares	Statutory reserve	Retained earnings	Property revaluation reserve	Other reserves*	Total equity
	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000
The Group							
At 01 January 2023	32,500,204	(4,875,031)	735,260	5,909,389	273,859	(7,374,042)	27,169,639
Profit for the period	-	-	-	752,044	-	-	752,044
Other comprehensive income for the period	-	-	-	-	30,815	751,367	782,182
Total comprehensive income for the period	-	-	-	752,044	30,815	751,367	1,534,226
Appropriation of reserves	-	-	-	(83,413)	-	83,413	-
Revaluation surplus realised on depreciation	-	-	-	12,649	(12,649)	-	-
At 31 March 2023	32,500,204	(4,875,031)	735,260	6,590,669	292,025	(6,539,262)	28,703,865
At 01 January 2023	32,500,204	(4,875,031)	735,260	5,909,389	273,859	(7,374,042)	27,169,639
Profit for the year	-	-	-	4,316,937	-	-	4,316,937
Other comprehensive (loss)/income for the year	-	-	-	(183,128)	(39,667)	935,410	712,615
Total comprehensive income/(loss) for the year	-	-	-	4,133,809	(39,667)	935,410	5,029,552
Appropriation of reserves	-	-	28,731	(67,642)	-	38,911	-
Revaluation surplus realised on depreciation	-	-	-	51,883	(51,883)	-	-
Dividend	-	-	-	(516,358)	-	-	(516,358)
At 31 December 2023	32,500,204	(4,875,031)	763,991	9,511,081	182,309	(6,399,721)	31,682,833
At 01 January 2024	32,500,204	(4,875,031)	763,991	9,511,081	182,309	(6,399,721)	31,682,833
Profit for the period	-	-	-	773,358	-	-	773,358
Other comprehensive income for the period	-	-	-	-	-	754,249	754,249
Total comprehensive income for the period	-	-	-	773,358	-	754,249	1,527,607
Revaluation surplus realised on depreciation	-	-	-	13,095	(13,095)	-	-
Appropriation of reserves	-	-	4,503	(6,696)	-	2,193	-
At 31 March 2024	32,500,204	(4,875,031)	768,494	10,290,838	169,214	(5,643,279)	33,210,440

*Other reserves include fair value reserve, translation reserve, prudential provision reserve, earnings reserve and restructuring reserve.

INTERIM UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE QUARTER ENDED 31 MARCH 2024

	The Group		
	Unaudited Quarter ended 31 March 2024	Unaudited Quarter ended 31 March 2023	Audited Year ended 31 December 2023
	MUR'000	MUR'000	MUR'000
Net cash used in operating activities	(2,190,869)	(17,215,875)	(2,652,351)
Net cash (used in)/generated from financing activities	(2,321,710)	2,038,857	(2,252,101)
Net cash used in investing activities	(269,854)		